

# **USAID/PANAMA**

## **ANNUAL REPORT**

### **2002 - 2004**

- **The attached Results information is from the FY 2002 Annual Report for Panama and was assembled and analyzed by USAID/Panama.**
- **Annual Report is a "Pre-Decisional" USAID document and does not reflect results of USAID budgetary reviews. Additional information on the attached can be obtained from the Office of Program and Projects Development, USAID/Panama**
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## **MARCH 2002**

## **Please Note:**

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## **TABLE OF CONTENTS**

**(PRELIMINARY)**

Part III	FY 2001 Performance Narrative
Part IV	FY 2001 Performance Data Tables and Revised Results Frameworks
Part VII	Environmental Compliance

USAID/PANAMA  
ANNUAL REPORT  
ACRONYMS  
2002 - 2004

ADR	Alternative Dispute Resolution
ANAM	National Environment Authority
AOJ	Administration of Justice
ARI	Inter-Oceanic Regional Authority
CBO	Community-Based Organization
CICH	Inter-Institutional Commission for the Canal Watershed
CY	Calendar Year
DA	Development Assistance
EPIQ	Environmental Policy and Institutional Strengthening Indefinite Quantity Contract
ESF	Economic Support Funds
EXO	Executive Office
FIDECO	Ecological Trust Fund
FSN	Foreign Service National
FUNDEMUN	Foundation for Municipal Development
FUPASA	Panamanian Foundation for Environmental Services
FY	Fiscal Year
GCC	Global Climate Change
GEMAS	Education and Environment Sustainable Management Group
GHG	Greenhouse Gas
GOP	Government of Panama
GreenCom	Environmental Education and Communication Project
IBRD	International Bank of Reconstruction and Development
ICITAP	International Criminal Investigative Training Assistance Program
IDB	Inter-American Development Bank
IEE	Initial Environmental Examination
IOR	Inter-Oceanic Region
IPCC	Inter-governmental Panel on Climate Change
IQC	Indefinite Quantity Contract
IR	Intermediate Results
IRG	International Resources Group
ISWM	Integrated Solid Waste Management
Mgt.	Management
MIDA	Ministry of Agriculture
MIF	Multilateral Investment Fund
MIVI	Ministry of Housing

MPP	Mission Performance Plan
MSI	Management Systems International
NATURA	Foundation for the Conservation of Natural Resources
NEAP	National Environmental Action Plan
NGO	Non-Governmental Organization
OAS	Organization of American States
OE	Operating Expenses
PanCI	Panama Climate Initiative
PCA	Panama Canal Authority
PCW	Panama Canal Watershed
PMCC	Panama Canal Watershed Monitoring Program
PROARCA	Regional Environmental Project for Central America
PSC	Personal Services Contract
PTC	Permanent Technical Committee
SO	Strategic Objective
SONDEAR	National Society for Business and Rural Areas Development
SpO	Special Objective
STRI	Smithsonian Tropical Research Institute
TA	Technical Assistance
TCN	Third Country National
UNDP	United Nations Development Program
UNFCCC	United Nations Framework Convention on Climate Change
US	United States
USAID/G/CAP	U.S. Agency for International Development/Global/Central America and Panama
USAID/G/ENV	U.S. Agency for International Development/Global/Environment
USAID	U.S. Agency for International Development
USAID/W	U.S. Agency for International Development/Washington
USDH	U.S. Direct Hire
WB	World Bank

### **Part III - Fiscal year 2001 Performance Narrative**

- **Introduction**

The USAID/Panama program, as a whole, is on track. For the most part, it has met expectations and has made important progress in both the Panama Canal Watershed (PCW) Strategic Objective (SO) and the Administration of Justice (AOJ) Special Objective (SpO).

With regards to the SO, the issuance of a vision statement by the Panama Canal Authority (PCA) identifying protection of the PCW on a par with improved Canal operation is significant. Additional advances are provided in more detail below. Equally impressive results toward the achievement of the SpO have been made.

- **Strategic Objective**

Self-Assessment  
Meeting Expectations

Beneficiaries:

Achievement of this SO will directly benefit the PCW ecosystem, the approximately 150,000 residents in the PCW, the urban populations of Panama City and Colon, which use the water for drinking, the industrial sector which depends on fresh water for industrial uses and the operators and users of the Canal. The indirect beneficiaries will be the 1.4 million people living in the vicinity of the Canal, the population of Panama as a whole and world commerce.

Gender Impact

The participation of women is aggressively encouraged in all aspects of the implementation of activities toward achievement of the SO. During the reporting period, the participation of women was most notable in the strengthening of local governments and the capacity building efforts of ten selected NGOs. Women have equal access and participate fully in training programs and are the recipient of technical assistance. At the local government level the participation rate has been estimated at 45% during the reporting period. Of the 173 members of the ten selected NGOs receiving USAID/Panama support, 111 or 64% are women. Women account for 38% of the permanent staff of these organizations and 30% of the volunteers are women. Two of the ten participating organizations promote gender equity as part of their own mission. As part of the capacity building program, the training component stresses in its curricula gender equity for all participating organizations. Further, technical assistance and training module are planned during FY 2002 to be provided the G/WID office to complement efforts already made.

Major Achievements during reporting period

- The CICH has taken initial steps toward establishment of an Environmental Information Center. A key step on this path is the development of a web page.
- A five-year Urban Environmental Infrastructure Plan was finalized. This plan provides CICH and member institutions with a coordinated and coherent approach for environmental management in the urbanizing sectors of the reverted areas within the watershed.
- Initial phase of the technical work on the regulations for Law 21 (Regional Land Use Plan) has been

completed. CICH has submitted a draft legislative bill to the Commission on Canal Affairs of the Legislative Assembly for review and debate.

- A joint review process between ACP and ANAM to identify potential environmental impacts was developed.
- The CICH initiated the process of design and implementation of a development fund to finance sustainable development activities (i.e., health, water, solid/liquid waste disposal, roads, etc.) identified by the communities in the PCW. ACP will provide seed capital. The other CICH members are also expected to contribute resources to this effort.
- An assessment was completed and plans were developed for ecotourism activities in the San Lorenzo Protected area in the canal watershed buffer areas at the Atlantic entrance to the Panama Canal. Of particular importance is the development of a Limit of Acceptable Change (LAC) process to deal with visitor impacts in the area. This LAC process will be replicable in other parks opened to the public or in which there are permanent residents.
- An assessment of nature-based microenterprises in the PCW was completed. This assessment provides a useful guide for the promotion of sound environmentally friendly activities as alternatives to current activities that adversely affect the environment in the PCW.
- Ten selected local NGOs completed the first phase of the sustainability and outreach training program, which combine classroom and hands on training, supplemented by technical assistance tailored to each NGO. This institutional strengthening program is designed to ensure sustainability of the NGOs and enhance their outreach capability to work effectively in environmental conservation of the Panama Canal Watershed. Currently, they are developing small projects as part of their hands-on training and seeking matching funds from the private sector to finance implementation.
- An important achievement is the increased level of awareness and support for sound environmental management that has been generated in target local governments in the PCW. As a result, local authorities and communities are increasingly displaying strong political will and are playing a proactive role in addressing environmental issues.
- The municipalities of Arraiján, Capiira and La Chorrera continued to be engaged in the institutional strengthening program. This is a pre-requisite towards improving their capacity for sustainable environmental management. As a result, each municipality has developed a strategic plan and a proposal to reform the municipal tax system to allow an estimated 15 to 20% increase in revenues. This increase would be used primarily for new investment, including environmental projects. Arraiján and Capiira have developed a preliminary design for a new administrative structure to improve the delivery of better services to the community while rationalizing operating expenses.
- In addition to the overall institutional strengthening program, other complementary actions have been implemented. For example, Arraiján and Capiira have designed new technical units, which when fully implemented, will focus resources on environmental issues and services. Also the three municipalities have joined forces to publish the first number of a new joint newsletter "Panama Oeste en Ambiente". This newsletter is intended to further increase awareness and support for environmental issues and to serve as a key instrument for alliance and consensus building and to provide, among other things, policy and technical inputs for consideration by the CICH.

- The “corregimientos” of Escobal, Limón, Nuevo San Juan, Nueva Providencia and Buena Vista in the northern section of the Transisthmian Corridor have each developed an integrated solid waste management plan and are now moving towards implementation. They are working on the generation of strategic alliances amongst themselves and with the Municipality of Colon, to attain economies of scale required for implementation of sustainable solid waste management services in the area.
- As a direct result of USAID initial support for clean production, the Inter-American Development Bank (IDB) provided a \$1.7 million grant to ANAM and CONEP (the private sector national council) to expand this activity. The purposes of this four-year project are 1) develop environmental management instruments for clean production, and 2) help strengthen supply and stimulate demand for clean production systems-related services. Consequently, USAID has successfully concluded its involvement in this activity.

### Major Challenges and Concerns

Implementation of the SO during FY 2001 was faced with a number of administrative and programmatic challenges. Many have been resolved, while others are still currently being addressed. Significant among these are:

- During the reporting period the Mission reduced staff significantly due to budget reductions. Despite the staff reductions, the Mission was able to maintain productive implementation momentum through increased synergies and greater teamwork among the remaining staff. To address this situation and to boost morale, the Mission implemented an aggressive training program to enhance skills, redistributed responsibilities and implemented more effective human resources management techniques, including the use of incentive awards.
- In addition to the above, there was a complete turnover of Mission management towards the end of the fiscal year. Both the Mission Director and the Chief of the Program Office (who also serves as the de facto deputy Mission Director) were replaced.
- The slowdown in the U.S. economy during the reporting period, compounded by the aftermath of the events of September 11, 2001, had a profoundly adverse effect on the Ecological Trust Fund (FIDECO). Earnings from FIDECO are used to finance environmental activities in the PCW. During the reporting period the Fund lost 17% of its capital value, dropping from \$30 million to \$25 million. This has led to a 65% reduction in planned financial resources for investments in the PCW. USAID, TNC and the GOP's Ministry of Economy and Finance are engaged in a dialogue aimed at addressing this challenge.
- The pace of implementation slowed by about 30% at the local government level particularly in the area of La Chorrera and Colon due to political in-fighting and power struggles between the mayors and their respective municipal councils. Vagueness and conflicting interpretation of some aspects of the laws governing local governments have fostered these conflicts. Without intervening in the conflicts, USAID has very carefully intensified its dialogue with the parties concerned in an attempt to overcome the slowdown and get implementation back on track. Some successes in this regard have been achieved, but this is an on-going challenge that will require dedicated and continuous efforts.
- Continuation of the PCW monitoring program at full capacity by ANAM has also been very challenging. ANAM, and in many ways the entire GOP, has been facing severe financial constraints that have limited its capacity to fully implement this key activity as originally agreed to with the Mission. In addition, the position of project activity manager for USAID supported activities in ANAM has been vacant for over a



year. USAID has initiated high level policy and technical dialogues with ANAM aimed at solving this and other related problems.

### Adjustment to Plans

Towards the end of the fiscal year, the Mission conducted an in-depth portfolio review. The purpose of the review was to fully brief the new Mission Director and Program Officer on the background and status of the program. The review also laid the basis for adjustments and changes to the program.

For example: new more adequate frameworks were developed to better articulate and represent the synergies among the various IR activities. The number of indicators was reduced and crosscutting strategic mechanisms were more prominently displayed. Both strategic objective and SpO intermediate results remained unchanged. New strategic mechanisms were also developed giving the program more impact at the policy level to complement the various IR activities

The major change to existing plans will be the implementation of three or four pilot sub-watershed activities in the PCW. These activities will focus resources on up to four types of sub-watersheds (urban, rural, semi-urban and protected areas) in a hands-on effort complementary to the capacity building objective of the strategy. The mini-watersheds are much more manageable sub-sets of the PCW. They will provide a laboratory for testing of policies, mechanisms, procedures and measurement of results in a cost-effective manner to demonstrate to a wide audience of policy makers, NGOs, and local governments that integrated watershed management is possible. This will facilitate replication of best practices throughout the rest of the PCW.

While the concept is still being finalized the following is a preliminary description of the salient elements of the pilot projects initiatives:

1. There are 55 mini-watersheds in the PCW with differing sets of issues and problems requiring different interventions to ensure protection and conservation. Each fall into one of the four categories listed above.
2. Three to four sub-watersheds will be selected as laboratories for concerted efforts that address these varied issues.
3. Selection Criteria
  - Manageability: Size ranging from 50 to 100 Km<sup>2</sup>
  - Representativity: One pilot in a predominantly rural setting
    - One pilot in an urban area
    - One pilot in a semi-urban or suburban area
    - One pilot in a protected area
  - Availability of Data: Monitoring Program; ACP/ANAM monitoring sites; other Agency reports and records
  - Environmental Threat: Environmental degradation, water contamination, deforestation, siltation
  - Political Sensitivity
4. Development Phases
  - Phase 1 - Assessment: A diagnosis of the major problems and environmental threats in each selected pilot sub-watershed will be conducted at two levels.
    - (a) Participatory at the community level.
    - (b) Technical, involving member organizations of the CICH and others.
  - Phase 2 – Proposed Solutions:
    - (a) Select priorities

(b) Estimate magnitudes and costs of activities; establish financial mechanisms

(c) Prepare monitoring plan

Phase 3 – Implementation

Phase 4 – Measure and evaluate; communicate results; determine lessons learned.

Implementation of these pilots will be coordinated by the CICH. USAID will provide support and ensure the active support of its contractors. The CICH will ensure the active participation of its member organizations and any other public institution active in the sub-watersheds.

The new Mission Director is introducing other changes to the Panama Program, including the concept of strategic partnerships. More detail will be provided about innovative co-funding arrangements that are just beginning in the next Annual Report.

#### Prospects during budget period

During the budget request period efforts will be focussed on an aggressive implementation of the pilot projects initiative in the PCW. The first phase of this activity will be completed and the second phase well underway. A strategic incentive fund will be established to finance these activities. Initially, the ACP will match resources dollar for dollar provided by USAID, but other line ministry members of the CICH are also expected to support these activities. USAID will also continue to support the institutional strengthening of the CICH, especially its Technical Permanent Committee recently expanded to include key national institutions responsible for health, education, water and sewerage, and also the Social Investment Fund (FIS). The Data Information Center is expected to become operational and its web page will be online. It is anticipated that protocols for accessing and disseminating data will be completed and operating. Draft inter-agency agreements on potential environmental impacts will have been prepared.

It is also anticipated that current efforts addressing the formulation of regulations for Law 21 defining land use in the PCW will have been concluded. Additional mechanisms for development funds and other financial initiatives will be designed and in place. Efforts will continue to strengthen ANAM's capability to promote and develop eco-tourism activities in selected parks and protected areas. The selected local NGOs will have completed their sustainability training; initiated the implementation of small projects; and will have initiated application of their outreach capabilities.

Also, during this period, the administrative and financial management capability of the target municipalities in the PCW will continue to improve; tax revenues will be increasing; and technical environmental units will become operational. Initial implementation of integrated solid waste management in communities in the northern section of the Transisthmian Corridor is also anticipated.

- **Special Objective**

- Self-Assessment  
Meeting Expectations

#### Beneficiaries

A fair and expeditious justice system will contribute to economic prosperity and political stability in Panama. In particular, fundamental reforms of the justice system will improve the confidence of Panamanian citizens, especially by increasing access for the poor who represent around 40% of the Panamanian population, U.S. and other international businesses, and investors. In addition, a reformed justice system will help improve and strengthen the legal foundation upon which the institutional

framework for sustainable PCW management and protection is based.

#### Gender Impact

The participation of women is encouraged in all activities implemented toward the achievement of the SpO. Technical assistance and training provided to the Citizen Alliance for Justice benefit both men and women. Of the 32-founding members of the Alliance, 20 are men and 12 or 37% are women. Women also participate significantly in the working groups established by the Alliance. For example, in the working group on transparency, 6 of the 11 members are men, while 5 or 45% are women; in the ADR working group, 9 of the 12 members are men and 3 or 25% are women; in the working group on penal issues, 7 of the 14 members are men and 7 or 50% are women.

#### - Major Achievement during reporting period

Following reforms to the Procedures Code, effective on September 5, 2001, an assessment was initiated with the active participation of Supreme Court Justices, the Judicial School, the Public Defenders office and the Attorney General Office, to determine specific training needs for members of the judiciary and prosecutors. Training will be on the provision of the reformed Procedures Code designed to reduce the number of pre-trial detainees.

To help reduce the number of accused sentenced to prison by administrative judges, a needs assessment and design of a pilot project for the development of a model "corregiduría" and a model night court were completed in April 2001. An important finding of this assessment was that the provision in the law, which allowed for the use of alternatives to imprisonment in administrative law, was overruled. The consultants made recommendations to apply principles contained in Procedures and Criminal Codes. Nevertheless, these provisions are not applicable to justice administered by administrative judges. According to the opinion of the Solicitor General and the Supreme Court, changes in the Constitution and the Law are required before we can implement a pilot project in this area. USAID Panama eliminated this activity and encouraged the Civil Society Alliance to lay the groundwork for the necessary changes in this area. The funds that were originally planned for this activity were assigned to develop a pilot project to address the backlog of cases in criminal courts in an effort to impact favorably on reducing pre-trial detention.

A needs assessment and design of a modern judicial registry was completed in April 2001. The judicial registry is one of two elements identified as priority requirements toward the improvement of transparency and integrity of judicial opinions. The other is a revision of the Ethics Code accompanied with adequate training. In both instances, current acquisition of required information and other modern equipment is underway.

The six-member Civil Society coalition established in FY 2000 with USAID support was expanded in FY 2001 with the incorporation of five new member organizations. The first annual conference was held on October 24-25, 2000, at which each member of the alliance presented a position paper on key issues. These position papers were published and distributed in book form. In addition, the alliance has subsequently published two newsletters, developed a Strategic Plan, agreed on focus areas, developed a web page and is now participating in the drafting of penal legislation.

A separate needs assessment was completed to assist in the reduction of the case backlog in civil courts through the use of ADR mechanisms (commercial disputes). A steering committee was established and two courts were selected to implement a pilot project.

#### - Major Challenges and Concerns

Implementation of the SpO suffered from the same traumatic staff reduction and top management turnover described above under the SO, but to a lesser degree.

The SpO, however, experienced other challenges, notably:

- The need to coordinate a wide variety of institutions, contractors and other donors to avoid conflicts and duplication has been very challenging. To meet this challenge, USAID has instituted quarterly meetings with all stakeholders and contractors to facilitate coordination and keep everyone apprised of developments. A similar process is underway among donors.
- Overcoming the customary independence among Civil Society organizations which has resulted in the lack of joint strategies and united fronts on justice issues has also been challenging. USAID has met this challenge successfully with appropriate technical assistance to the Citizens Alliance for Justice aimed at consensus building and collective actions among civil society groups.
- Overcoming the public lack of confidence in the justice system and perception of corruption in the sector remains a challenge. USAID expects to meet this challenge through the Citizens Alliance for Justice, which represent the views of a broad spectrum of civil society. A number of the Alliance's activities are directed towards improving communications between civil society and the justice sector which should result in increased transparency and improvement in the sector's image.

#### Adjustment to Plans

The portfolio review towards the end of FY 2001 revealed the need to re-articulate and provide more focus to the concept of the SpO. As a result, the IR's related to the criminal and civil courts were integrated into one, key outcomes were clearly identified and crosscutting strategic tools highlighted. Strategic mechanisms were also developed to engage at the policy level complimenting the various IR activities. These changes are reflected in the updated Results Framework.

In addition, Mission management is taking steps to collaborate more effectively with other country team agencies to execute more coordinated development impact. For example, USAID, within the funding limits of the justice sector SpO, is collaborating with NAS on arrest data becoming a part of a larger national judicial case tracking system.

#### Prospects during Budget period

USAID anticipates significant progress in implementation of this program during the budget period. Towards the end of FY 2002, an evaluation will be conducted, the results of which will determine its future whether to: 1. Terminate the SpO, 2. Extend the SpO, 3. Develop a full AOJ SO. USAID is highly confident that the evaluation will validate that "Momentum" has been established toward fairer and faster justice in Panama and that there is a need for continued concerted effort in the AOJ for USAID.

#### LOGICAL CONSISTENCY OF THE RESULTS FRAMEWORK

Sustainable Management for the Canal Watershed and Buffer Areas promotes sustainable land use. In

order to achieve sustainable land use, an integrated watershed management approach is necessary. This will include developing systems for effective coordination and management and strengthening the capabilities of civil society and local governments. Also important is stakeholder participation in the decision-making process. This approach to the SO will emphasize the internalization of the processes of effective management as its ultimate goal.

Taking a holistic approach to watershed management, the focus is on improving institutional arrangements and the legal framework, promoting efficient use of natural resources, getting individuals involved and helping local governments develop their capabilities to safeguard their own sub-watershed. Following this logic, the Results Framework has four Intermediate Results (IRs): **Institutional Arrangements for Effective Management Functioning, Natural Resources Effectively Managed, Sustainable Management of PCW Supported by Civil Society, and Local Government Capacity for Environmental Management Increased**. Activities under the IRs will consolidate progress towards achievement of these Intermediate Results and collectively provide the necessary conditions for reaching the Team's Strategic Objective of "Sustainable Management" that will protect the quantity and quality of water resources in the PCW.

#### *Institutional Arrangements for Effective Management (IR-1)*

Partnerships among levels of government and various agencies are required for effective watershed management. Institutional arrangements for effective PCW management are necessary to facilitate these partnerships. CICH provides the forum for stakeholders to work together, make recommendations and shape decisions on integrated watershed management issues. It is the institutional framework for partner institutions with differing perspectives of, and mandates in, the PCW. This IR brings to the forefront the need to create an effective coordinating body for watershed management that did not exist in the Panama Canal Authority (ACP). The operations of the Canal was the only mandate of the Panama Canal Commission (PCC), the U.S. entity that preceded the ACP until the transfer of the Canal on December 31, 1999.

#### *Natural Resources Effectively Managed (IR-2)*

Good watershed management integrates human and natural systems. To achieve the SO, effective management of natural resources focuses on sustaining the economic well being of watershed residents while preserving the environmental quality of the protected areas (PA). This integrative management approach promotes conservation of renewable resources along with economic opportunities for the people living in the PCW by upgrading the management standards of PA as well as developing sound environmentally friendly activities.

#### *Sustainable Management of PCW Supported by Civil Society (IR-3)*

Effective citizen involvement and broad participation of stakeholders, most likely to be affected, reinforces a bottom-up process for successful watershed management. A stronger civil society will help focus public interest on land use activities. Both advocacy and outreach by environmental NGOs working in the PCW will raise public awareness and improve stakeholder participation in decision-making processes. Focus will be on improving the sustainability of civil society to advocate for PCW protection and the capacity of NGOs to mobilize resources and have an impact on strategic issues.

#### *Local Government Capacity for Environmental Management Increased (IR-4)*

Local governments will be key players in the implementation of the Regional Plan. Local officials need to strengthen their capabilities in order to participate effectively in the stewardship of the PCW. USAID will support increasing local government capacity for environmental management (IR-4). Technical assistance will help improve local environmental and land-use planning and implementation. Local solid and liquid waste services will be designed to begin the mitigation process of pollution effects in the PCW from non-point sources of discharge, such as agricultural and urban runoffs.

### *Strategic Mechanisms*

In addition, three strategic mechanisms will contribute to the achievement of the SO: **Inter-institutional Watershed Commission (CICH), Effective Financing Mechanisms for Watershed Activities, and Pilot Models for Integrated Watershed Management.**

An effective coordination mechanism is needed to facilitate integrated watershed management. The Inter-institutional Watershed Commission (CICH) of the Panama Canal Authority is serving in that capacity. Working closely with its member institutions, the CICH will serve as a strategic mechanism to build consensus among local and national level institutions with conflicting mandates in the PCW. USAID will continue to support the institutional strengthening of the CICH. The purpose of which will be to enhance its performance and ability to form strategic alliances among various actors and stakeholders in the PCW.

Watershed management cannot take place without effective financing mechanisms. Current and new financing initiatives will seek to increase the sources and magnitudes of funds available to effectively manage the PCW. For instance, USAID will provide seed capital for an incentive fund which will be, at a minimum, matched by the ACP. Other CICH member institutions will be encouraged to participate with funds of their own or in-kind contributions.

Testing solutions to environmental problems in selected sub-watersheds of the PCW will provide a strategic tool in the field. CICH, as a coordinating body, has an important role to play both in the Incentive Fund Initiative and in the selection of pilot projects. Community involvement will be key in the participatory selection process followed. The demonstration effects of these pilot projects will help highlight the importance of applied integrated watershed management. The holistic approach used in the three or four pilot projects will provide case samples that can be replicated throughout the PCW, once the characterizations of the other sub-watersheds are undertaken.

### CRITICAL ASSUMPTIONS

The following key assumptions are fundamental to the success of the Strategic Objective Panama Sustainably Manages the Canal Watershed and Buffer Area and the underlying activities that the SO Team has identified and will be promoting:

- GOP is committed to manage and conserve the PCW in accordance with Laws 19, 21, and 41.
- GOP activities in the Western Region of the PCW do not disrupt the SO program.
- Funding levels for GOP counterpart institutions are sufficient to complement the SO program.

## RESULTS FRAMEWORK AND LOGICAL CONSISTENCY

The USAID/Panama Special Objective (SpO) seeks to develop momentum towards fairer and faster justice in Panama. During the two-year period, the SpO will address the urgent need for reducing the high backlog in the criminal and civil justice systems and laying the groundwork to avoid or minimize backlog in the future. USAID will address these needs by working with the Judiciary (including the public defenders office) the prosecutors, and civil society (specially the Colegio Nacional de Abogados) The ultimate goal is to promote a fair and equitable due process for all citizens.

Activities under the SpO have been clustered in three intermediate results (IRs) to develop the desired momentum. These are: ***Access to justice in targeted areas increased, Proactive role of civil society in justice sector reform improved, and Collaboration between investigators and prosecutors improved.***

### *Access to Justice in Targeted Areas Increased (IR-1)*

USAID identified that lack of access to justice is a major problem. As in many countries, the poor do not have adequate access to justice system. The consequences are that the vast majority of people in prison are indigent, and they are more apt to remain there longer than legally required. The same problem applies to the civil courts. USAID will work primarily with the Judiciary (including the Public Defenders Office) and the Public Ministry to provide assistance in the criminal and civil areas. Specifically, the program will develop and test pilot mechanisms aimed at reducing the high incidence of lengthy pre-trial detention (criminal cases), and introducing the use of alternative dispute resolution (ADR) mechanisms (civil cases). USAID will conduct two additional activities to improve transparency and integrity in the judicial system. One includes the design and start-up of a modern judicial registry to disseminate Appellate and Supreme Court opinions. The other is aimed at enhancing professionalism of justice sector officials, including the Public Defenders Office and the Colegio Nacional de Abogados (CNA). Our goal is to engage these officials in improving the legal due process. USAID will work with the Judicial School to incorporate them into discussions, seminars and training on sensitive matters, such as Oral Procedures and Ethics.

### *Proactive Role of Civil Society in Justice Sector Reform Improved (IR-2)*

Panama's justice system is often criticized in the media from within and outside government. Citizens' perception of the quality of justice reveals a high level of disapproval, yet there is lack of unified civil society support for systemic change. Initiatives toward reform promoted by civil society are rather fragmented and probably cannot have the desired impact on improvements in attitudes, policies or procedures within the justice sector. In light of this, IR-2 will work to bring together, under the *Alianza Ciudadana Pro Justicia*, key civil society players to increase their advocacy role to influence policy-making process in the justice sector. Our goals are to assist the Alianza to consolidate their involvement in the a) strategic reform process with the Consejo Judicial, and b) public-interest advocacy (citizens and associations, such as the CNA). At the same time, the Mission will provide assistance to the Alianza in building its internal capacity to continue its operations in the long-term.

### *Collaboration between Investigators and Prosecutors Improved (IR-3)*

The country team has decided that ICITAP participation in the program is not appropriate for the near term.

### *Strategic Tools:*

In addition to the IRs, two strategic tools will contribute to the achievement of the SpO: ***Strategic coordination with the “Consejo Judicial” (Policy Advisory Council for the Judicial Branch) to promote justice sector reform, and Pilot projects focus on reducing case backlog in criminal and civil courts.***

Success in achieving the SpO will require direct and meaningful participation of high officials within the Judicial Branch. Therefore the program, through the *Consejo Judicial* (a high-level policy advisory council created by level), will engage judicial officers on policy dialogue to build consensus around a strategic vision, mission and lines of action for the Judicial Branch. At the same time, the program will undertake pilot projects to demonstrate that structural reduction of case backlog are feasible and replicable.

### **CRITICAL ASSUMPTIONS**

- Justice sector reform remains a high priority for the GOP and civil society.



Table 1: Annual Report Selected Performance Measures

December 3, 2001

Indicator (all data should pertain to FY or CY 01)	OU Response			Fund Account	Data Quality Factors
<b>Pillar I: Global Development Alliance: GDA serves as a catalyst to mobilize the ideas, efforts, and resources of the public sector, corporate America and non-governmental organizations in support of shared objectives</b>					
1 Did your operating unit achieve a significant result working in alliance with the private sector or NGOs?	Yes	No X	N/A		
2 a. How many alliances did you implement in 2001? (list partners) b. How many alliances do you plan to implement in FY 2002?					
3 What amount of funds has been leveraged by the alliances in relationship to USAID's contribution?					
<b>Pillar II: Economic Growth, Agriculture and Trade: USAID works to improve country economic performance using five approaches: (1) liberalizing markets, (2) improving agriculture, (3) supporting microenterprise, (4) ensuring primary education, and (5) protecting the environment and improving energy efficiency.</b>					
4 If you have a Strategic Objective or Objectives linked to the EGAT pillar, did it/they exceed, meet, or not meet its/their targets?	Exceed	Met X	Not Met		
<b>USAID Objective 1: Critical, private markets expanded and strengthened</b>					
5 Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No X	N/A		
<b>USAID Objective 2: More rapid and enhanced agricultural development and food security encouraged</b>					
6 Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No X	N/A		
<b>USAID Objective 3: Access to economic opportunity for the rural and urban poor expanded and made more equitable</b>					
7 Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No X	N/A		
<b>USAID Objective 4: Access to quality basic education for under-served populations, especially for girls and women, expanded</b>					
8 Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No X	N/A		
9 a. Number of children enrolled in primary schools affected by USAID basic education programs (2001 actual) b. Number of children enrolled in primary schools affected by USAID basic education programs (2002 target)	Male	Female	Total		

<b>USAID Objective 5: World's environment protected</b>						
10	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes X	No	N/A		
11	a. Hectares under Approved Management Plans (2001 actual) b. Hectares under Approved Management Plans (2002 target)					
<b>Pillar III: Global Health: USAID works to: (1) stabilize population, (2) improve child health, (3) improve maternal health, (4) address the HIV/AIDS epidemic, and (5) reduce the threat of other infectious diseases.</b>						
12	If you have a Strategic Objective or Objectives linked to the Global Health pillar, did it/they exceed, meet, or not meet its/their targets?	Exceed	Met	Not Met		
<b>USAID Objective 1: Reducing the number of unintended pregnancies</b>						
13	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A X		
<b>USAID Objective 2: Reducing infant and child mortality</b>						
14	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A X		
<b>USAID Objective 3: Reducing deaths and adverse health outcomes to women as a result of pregnancy and childbirth</b>						
15	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A X		
<b>USAID Objective 4: Reducing the HIV transmission rate and the impact of HIV/AIDS pandemic in developing countries</b>						
16	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A X		
<b>USAID Objective 5: Reducing the threat of infectious diseases of major public health importance</b>						
17	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A X		
<b>Pillar IV: Democracy, Conflict and Humanitarian Assistance</b>						
18	If you have a Strategic Objective or Objectives linked to the Democracy, Conflict and Humanitarian Assistance Pillar, did it/they exceed, meet, or not meet its/their targets?	Exceed	Met X	Not Met		

<b>USAID Objective 1: Rule of law and respect for human rights of women as well as men strengthened</b>						
19	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes X	No	N/A		
<b>USAID Objective 2: Credible and competitive political processes encouraged</b>						
20	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A X		
<b>USAID Objective 3: The development of politically active civil society promoted</b>						
21	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes X	No	N/A		
<b>USAID Objective 4: More transparent and accountable government institutions encouraged</b>						
22	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No X	N/A		
<b>USAID Objective 5: Conflict</b>						
23	Did your program in a pre-conflict situation achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A X		
24	Did your program in a post-conflict situation achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A X		
25	Number of refugees and internally displaced persons assisted by USAID	Male	Female	Total		
<b>USAID Objective 6: Humanitarian assistance following natural or other disasters</b>						
26	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A X		
27	Number of beneficiaries					

**Table 2: Selected Performance Measures for Other Reporting Purposes**

The information in this table will be used to provide data for standard USAID reporting requirements

Indicator (all data should pertain to FY or CY 01)		OU Response		Fund Account	Data Quality Factors	
Child Survival Report						
Global Health Objective 1: Reducing the number of unintended pregnancies						
1	Percentage of in-union women age 15-49 using, or whose partner is using, a modern method of contraception at the time of the survey. (DHS/RHS)					
Global Health Objective 2: Reducing infant and child mortality						
2	Percentage of children age 12 months or less who have received their third dose of DPT (DHS/RHS)	Male	Female	Total		
3	Percentage of children age 6-59 months who had a case of diarrhea in the last two weeks and received ORT (DHS/RHS)	Male	Female	Total		
4	Percentage of children age 6-59 months receiving a vitamin A supplement during the last six months (DHS/RHS)	Male	Female	Total		
5	Were there any confirmed cases of wild-strain polio transmission in your country?					
Global Health Objective 3: Reducing deaths and adverse health outcomes to women as a result of pregnancy and childbirth						
6	Percentage of births attended by medically-trained personnel (DHS/RHS)					
Global Health Objective 5: Reducing the threat of infectious diseases of major public health importance						
7	a. Number of insecticide impregnated bed-nets sold (Malaria) (2001 actual) b. Number of insecticide impregnated bed-nets sold (Malaria) (2002 target)					
8	a. Proportion of districts implementing the DOTS Tuberculosis strategy (2001 actual) b. Proportion of districts implementing the DOTS Tuberculosis strategy (2002 target)					

## HIV/AIDS Report

### Global Health Objective 4: Reducing the HIV transmission rate and the impact of HIV/AIDS pandemic in developing countries

a. Total condom sales (2001 actual) <b>9</b> b. Total condom sales (2002 target)					
a. Number of individuals treated in STI programs (2001 actual) <b>10</b> b. Number of individuals treated in STI programs (2002 target)	Male	Female	Total		
a. Is your operating unit supporting an MTCT program? <b>11</b> b. Will your operating unit start an MTCT program in 2002?					
a. Number of individuals reached by community and home based care programs (2001 actual) <b>12</b> b. Number of individuals reached by community and home based care programs (2002 target)	Male	Female	Total		
a. Number of orphans and vulnerable children reached (2001 actual) <b>13</b> b. Number of orphans and vulnerable children reached (2002 target)	Male	Female	Total		
a. Number of individuals reached by antiretroviral (ARV) treatment programs (2001 actual) <b>14</b> b. Number of individuals reached by antiretroviral (ARV) treatment programs (2002 target)	Male	Female	Total		

Victims of Torture Report					
Democracy, Conflict, and Humanitarian Assistance Objective 7: Providing support to victims of torture					
15	Did you provide support to torture survivors this year, even as part of a larger effort?				
16	Number of beneficiaries (adults age 15 and over)	Male	Female	Total	
17	Number of beneficiaries (children under age 15)	Male	Female	Total	

Global Climate Change			
USAID Objective 5: World's environment protected			
18	Global Climate Change: See GCC Appendix		



# USAID/Panama

## Results Framework for Strategic Objective (SO)

### **PANAMA SUSTAINABLY MANAGES THE CANAL WATERSHED AND BUFFER AREAS**

**Indicators:**

Ind 1: Percentage of PCW and reverted territories used in accordance with the regional and general land use plans of Law 21.

Ind 2A: Number of institutional responsibilities that PCW residents can correctly match with the government institution.

Ind 2B: Number of institutional responsibilities that mid-level employees can correctly match with the government institution.

**PCW Development Context:**

- Only 47% forest cover remains after decades of deforestation.
- Population growth rate in some areas of the Watershed exceeds 15% annually. 80% of the PCW population reside along the Trans-Isthmian Corridor. Population growth along the Pan-American Highway bordering the Watershed approaching a magnitude of five times the national rate.
- Water quality degraded during the last 20 years due to population growth, increase in pathogens with a threat to human health and increasing aquatic vegetation posing problems for Canal navigation.
- 14% of all U.S. ocean going cargo transits the Canal.

**Strategic Mechanisms:**

**Inter-Institutional Commission for the Canal Watershed (CICH)**

**Pilot Mini-Watershed Demonstration Projects**

**Financing Mechanisms: ACP-USAID Incentive Fund, FIDECO**

**Critical Assumptions:**

- GOP is committed to manage and conserve the PCW in accordance with laws 19, 21, and 41.
- Funding levels for GOP counterpart institutions are sufficient to complement the SO program.

**Intermediate Results****Key Outcomes****Activity Types****Intermediate Result 1**

Institutional Arrangements for Effective Management Functioning

**Indicators:**

Ind 1.1: Number of actions taken by CICH

CICH operating effectively

Legal framework (Law 21 regulations) developed and implemented

**Intermediate Result 2**

Natural Resources Effectively Managed

**Indicators:**

Ind 2.1: Average score of "Index for Performance Monitoring of Protected Areas"  
Ind 2.2: Percentage of PCW residents surveyed who report receiving income from ecotourism activities

Management standards of protected areas upgraded

Environmentally friendly income-generating activities developed

**Intermediate Result 3**

Sustainable Management of PCW Supported by Civil Society

**Indicators:**

Ind 3.2: Average score for outreach capacity met by targeted NGOs

Sustainability of civil society NGOs to advocate for PCW protection improved

Civil society capacity to mobilize resources and impact strategic issues improved

**Intermediate Result 4**

Local Government Capacity for Environmental Management Increased

**Indicators:**

Ind 4.2: Number of local governments that have environmental action plans

Local environmental and land-use planning and implementation improved

Local solid and liquid waste services in targeted areas improved

- Training to CICH secretariat on TBD
- TA to CICH to design environmental education strategy
- TA to CICH/PTC to encourage public participation in developing regulations
- TA to CICH for integrated watershed pilots
- Investments

- TA to ANAM to develop signs for environmental interpretation
- Design and produce external marketing materials for ecotourism for ANAM
- TA to ANAM to develop ecotourism activities

- Long-term training to build capacity of NGOs to promote the PCW
- TA to NGOs to design environmental projects and environmental materials

- TA to municipalities to design local environmental plans
- TA to municipalities on liquid and solid waste
- TA to improve municipalities' capacity for environmental education
- Reforestation activities with children



# USAID/Panama

## Results Framework for Special Objective (SpO)

### ***MOMENTUM TOWARD FAIRER AND FASTER JUSTICE ESTABLISHED***

**Indicators:**

Ind 1: Total Score of Pre-Trial Pilot Projects Implemented (milestone)

Ind 2: Level of Completion of Alternative Dispute Resolution Pilot Projects (milestone)

**Justice Sector Development Context:**

- Only 38 public defenders for a population of 2.8 million.
- Backlog of 58,000 cases in commercial courts.
- Limited coordination of civil society input in the Justice Sector reform process.
- Administrative law judges impose sentences of up to one year of incarceration without legal representation or possibility of appeal.
- Panama's judicial system remains inquisitorial while Central American systems have adopted adversarial procedures.

**Strategic Mechanisms:**

Supreme Court

Pilot projects in Criminal and Civil Courts

**Critical Assumption:**

- Justice Sector reform remains a high priority for the GOP and civil society.

Intermediate Results

**Intermediate Result 1**

Access to Justice in Targeted Areas Increased

**Indicator:**

Ind 1: Level of Improvement in Dissemination of Judicial Opinions & Pending Case Status (milestone)

1.1 Pre-trial detention reduced

1.2 Use of Alternative Dispute Resolution mechanisms to reduce backlog of commercial cases introduced

1.3 Dissemination of Appellate Court and Supreme Court judicial opinions increased

1.4 Public Defenders strengthened

**Intermediate Result 2**

Proactive Role of Civil Society in Justice Sector Reform Improved

**Indicator:**

Ind 1: Level of Civil Society Advocacy for Justice Sector Reform (milestone)

2.1 Civil society advocacy capacity to influence policy-making process increased

2.3 Management, networking, and fundraising capacity of the Citizens Alliance for Justice (ACPJ) increased

**Intermediate Result 3 (ICITAP)**

Collaboration between Investigators and Prosecutors Improved

Key Outcomes

Activity Types

**1.1-1.4 PRE-TRIAL**

- Conduct assessment to identify a) # of pre-trial detainees, and b) causes for long-term pre-trial detention
- Launch pilot project to improve pre-trial process (time, quality)
- Upgrade skills of public defenders
- Upgrade skills of prosecutors
- Introduce bailiffs in courts

**1.2 ALTERNATIVE DISPUTE MECHANISMS (ADR)**

- Conduct assessment to identify # and types of potential ADR cases in current system
- Launch pilot ADR for filed cases

**1.3 JUDICIAL REGISTRY**

- Enable publication of monthly, up-to-date judicial opinions and pending cases (internet, CD and hard copy)
- Launch web-site

**2 CIVIL SOCIETY ALLIANCE (CSA)**

- Consolidate Alliance
- Establish self-financing Alliance
- Integrate CSA into judicial reform strategy
- Implement Public Outreach programs
- Help spark public debate for changes in administrative justice (respect for human rights, due process, legal representation)

**1-2 TRAINING OF TRAINERS AND PILOT COURT STAFF (through the Judicial School)**

- Train pilot court staff, prosecutors and other justice sector officials (oral procedures, ethics)
- Train public defenders in oral procedure, negotiation, etc
- Seminars for Colegio Nacional de Abogados (oral procedure, ADR)



## Part VII - Environmental Compliance

### a. Notional Plan for New IEEs

The USAID/Panama Mission anticipates three new activities beginning in FY-02 that will have an environmental impact. These activities, subject to the availability of funds, will be undertaken in the Panama Canal Watershed and the Darien Province. Good working descriptions of these activities are not available at this time since the concepts and parameters are still being developed. USAID/Panama will submit IEEs when these activities are more clearly defined for an Environmental Determination.

<u>Activity</u>	<u>Estimated IEE Submission</u>
1. Integrated Watershed Management model in Panama Canal Watershed	April 2002
2. Pilot Watershed management demonstration areas in Panama Canal Watershed	July 2002
3. Community Development and Agriculture in Darien Province	August 2002

### b. Current Compliance

Mission has reviewed current IEEs and determines that all are up to date and current. No new activities with an environmental impact were initiated during the reporting period.